

Exhibit A, Attachment 1
Project Title
Agreement Number Y-XXXX
Negotiations Flow Chart Narrative for Task Order Scoping

Deliverable: A Signed Agreement

Steps 1, 2 and 3, for purposes of On Call Agreements, are for the overall Task Order Agreement. The work described below assumes that a Task Order is already in place to allow funding for the MPD Scoping Process.

Implementation of Scoping Task Order

Step 4 Develop Negotiation Work Plan

Who: STATE and CONSULTANT Management Team

The STATE team will usually consist of the project manager and his/her assistant and possibly other personnel whose expertise is needed. A HQ/CSO representative is usually available for this process. The CONSULTANT's team will usually consist of the project manager and team leaders from each of the sub-consultants. A facilitator may or may not be utilized during this process.

What: The Negotiation Management Team will perform the following functions:

- Select the Negotiating Team Members;
- Develop the process for the negotiations;
- Determine a preliminary schedule for the negotiations; and
- Outline the responsibilities of the Negotiating Team.

The facilitator should be involved at this step to guide the team towards a means of developing a priority listing providing a clear definition of team member responsibilities.

When: This process should occur immediately after the Scoping Task Order has been executed.

Outcome: The result should be a Work Plan for Negotiations with a schedule and assignment of responsibilities for each team member.

Step 5 Determine Task Order Scope of Work Team

Who: The STATE and CONSULTANT Negotiating Team members.

What: Determine the STATE and CONSULTANT members for the Task Scope of Work Team. This team usually consists of technical staff from STATE and the CONSULTANT; it may also include customers and/or stakeholders, and is

representative of the full project development team that is yet to be convened (see step 14.)

The Negotiating team will determine the Task Order Scope of Work Team's preliminary responsibilities and schedule.

When: The Task Order Scope of Work Team will be determined as soon as the Negotiation Team compiles the members of the team.

Outcome: The result is a Task Scope of Work Team with specific duties and responsibilities scheduled.

Step 6 Define Chartering Elements for the Project Delivery Team

Who: The participants are the Task Scope of Work Team (representative of the full Project Delivery Team) and it is recommended that a facilitator – proficient in use of the Managing Project Delivery process - be utilized.

What: Develop chartering elements for the Project Delivery Team, including the following:

- Project vision, team mission and goals for the project;
- Identify the preliminary customers and stakeholders for the project; and
- Develop measurements of success and a change management framework for the project.

When: Development of chartering elements for the Project Delivery Team will be initiated at the team's first meeting.

Outcome: The result will be documentation of the team chartering elements as defined in the "what" section above.

Step 7. Develop a Project Work Plan for the Task

Who: The Task Scope of Work Team consisting of STATE and CONSULTANT representatives and a facilitator.

What: The Task Scope of Work Team will develop the following for the project:

- Project Work Plan that includes a Work Breakdown Structure (WBS), project schedule and major milestones;
- Expectations for the project;
- Project Schedule; and
- Dollars and hours are not discussed during this step of the process.

When: The development of this Project Work Plan should occur after team-chartering elements have been prepared and before hours and dollars are discussed for the project.

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Outcome: Task Scope understanding as captured in the above “what” elements.

Step 8 Preparing the Task Order Scope of Work

Who: The Task Scope of Work Team consisting of STATE and CONSULTANT representatives.

What: The Task Scope of Work Team will determine the following:

- Define the project’s expectations;
- Level of detail expected for each of the work elements of the project;
- Outline the methodology used to perform the work. Clarifications are addressed and resolved; and
- Dollars and hours are not discussed during this step of the process.

When: This process will probably go through several reiterations before it is finalized by the team and before hours and dollars are discussed for the project.

Outcome: A document describing the collaboratively developed Task Order Scope of Work.

NOTE: The payments to the CONSULTANT and sub-consultants for the Task Order Scoping process is terminated at the conclusion of this step of the process.

Step 9 Determining the type of Task Order

The type of supplemental agreement for the Task Order Agreements is a Task Order Amendment.

➤ **Decision Point Diamond (Joint endorsement of project scope)**

What: Was there joint endorsement of the project scope? If yes proceed to the next step of the process. If there was no agreement, please return to the developing the project work plan step.

Step 10 Independent Estimates of Hours and Costs

After all parties have agreed to the scope of work, the next step in the process is the development of independent estimates for hours and costs.

Who: This may include members from the Negotiation Team and/or members from the Task Scope of Work Team. Both the STATE and the CONSULTANT team will have independent teams for this step of the process.

What: Both the STATE and the CONSULTANT teams shall prepare the following information for the independent estimates of hours and costs:

- Categories of work elements proposed;
- Proposed categories of personnel who will be assigned to the project;

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- Proposed number of hours for each category of personnel along with the work element that each individual will be working on;
- Proposed direct labor rates for each proposed category of employee;
- Supporting documentation for the proposed direct labor rates;
- Proposed overhead rates, including justification for the proposed rate(s);
- Proposed reimbursable costs for the project; and
- Proposed profit for the project.

It is important that STATE verifies that funding is available based upon their independent estimate of costs for the project.

When: This process begins immediately following the completion of the Work Plan, Scope of Work and Determining the Task Order Amendment (noted in chart as Supplemental Agreement) type steps.

Outcome: Comprehensive independent estimates by the STATE and CONSULTANT for the project, which shall be the basis for negotiations.

Step 11 Face-to-Face Negotiations

Who: The Negotiation Team consisting of selected members from STATE and the CONSULTANT Team. Usually the STATE project manager and a consultant liaison representative will represent the Department. The prime consultant's project manager and sub-consultant's task managers usually represents the CONSULTANT team. However, there may be a need for a financial representative for the prime consultant.

What: Independent estimates are compared, differences are negotiated and both sides reach a consensus regarding those items that are included in step 10 of the process.

When: This process shall occur immediately following the preparation of the independent estimates by STATE and the CONSULTANT.

Outcome: An agreed upon Task Order Amendment for the project.

➤ Decision Point Diamond: Consensus on Task Order

If consensus is reached on the task, proceed to the next step of the process. If consensus cannot be reached with the CONSULTANT, proceed back to the CONSULTANT selection step of the process.

Step 12 Validate Funding and Resources

Who: The Department's project manager and/or consultant liaison representative shall validate funding with the appropriate program management office and requesting authority for the project.

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- What:** Verify that adequate funding exists for the project and/or develop a funding and resource strategy if adequate funds are not available for the project.
- When:** After the final scope and pricing for the task has been completed. Based upon the results of validating the funding for the project, there is a possibility of revisiting steps 7 through 11 of the process.
- Outcome:** Funding has been validated and/or a funding and resource strategy has been developed for the project.

➤ **Decision Point Diamond:**

If the project is within budget proceed to the next step of the process. If there is not adequate funding for the project attempt to obtain additional funding; redefine the project and/or re-scope the CONSULTANT portion of the project.

Step 13 Task Order Amendment and Notice to Proceed

After the Task Order Amendment has been negotiated, the next step in the process is to obtain signatures from the appropriate signature authorities.

- Who:** STATE signature authority for tasks is usually the designated regional representative. The signature authority for the CONSULTANT will vary depending on the CONSULTANT's business practices. The notice to proceed to the CONSULTANT will come from the requesting authority or his/her delegate.
- What:** A signed Task Order Amendment by both parties. The notice to proceed document to the CONSULTANT to begin work on the project.
- When:** This process occurs after the task order has been assembled, signed by the CONSULTANT, and funding approved by the region. The notice to proceed from the Consultant Liaison Office will occur after they have received all signed originals of the Task Order Amendment.
- Outcome:** The result is a signed Task Order Amendment with approval given to the CONSULTANT to proceed with work on the project.

Step 14 Charter the full Project Delivery Team

- Who:** The full Project Delivery Team for the Project.
- What:** Using the chartering elements, work plan, and scope of work developed in steps 6, 7 and 8, charter the full membership of the Project Delivery Team. This should include the following elements:
- Project vision, team mission and goals for the project;
 - Identify the customers and stakeholders for the project; and
 - Develop measurements of success and a change management framework for the project.

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When: The charter for the Project Delivery Team will be developed after the notice to proceed has been given to the CONSULTANT.

Outcome: The result will be a signed charter for the Project Delivery Team.